Claims 77 to 80 and 94 to 105 are pending in this application. In an office action dated 3/3/2008, examiner had rejected these claims for various reasons.

5

Examiner has objected to claim informalities in claims 77-80 and 94-105. Examiner has rejected claims 77-79, 94-105 under 35 USC $112, second paragraph – antecedent basis in the claims. Examiner has rejected claims 77-79, 94, 97-105 under 35 USC $112, first paragraph – antecedent basis in the specification.

10

Due to numerous changes that would be required in the current claims, applicant decided it would be easier to restate the current claims as new claims that are derived and based from these claims.

15 In this amendment, Applicant has cancelled claim 77 to 80 and 94 to 105 and has added new claims 106 to 124 that better define the scope of the invention. Hence new claims 106 to 124 are now pending in this application.

Specifically, new claims 106 to 108 replace claims 77 to 80. New claims 109 to
20 113 replace claims 94 to 98, claims 114 to 122 replace claims 99 to 103, and new claims 123-124 replace claims 104-105.

No new matter is believed added. The new claims have their antecedent basis in the specification.

25

Specifically "debit card transaction" as used in claim 106, is described on page 7 lines 24-28 and page 20 lines 1-2.

Specifically, "CPIN" as used in the claims is an abbreviation for card specific
30 personal identification number and is described in the specification on page 16, lines 10 to 14 and Figure 3D with item 354A, for each of the bankcards. Also see page 19, lines

12 to 18 and Figure 5B. Also page 20, lines 5-6, step 610. Also see page 22, lines 23-25.

Specifically, "POS" and "POS Interface" as used in the claims is an abbreviation for a merchant Point of sale and is described in the specification on page 7, lines 20-28 and Figure 1D. Also page 19 and lines 1-8.

Specifically, "adapted prior art merchant gateway" as used in the claims is described in the specification on page 6, lines 1-4 and page 8, lines 3 to 13.

Specifically, prior art bankcard authorization network as used in the claims is described in the specification on page 6, lines 1-4.

Specifically, reference number in the prior art payment transaction record as used in the claims is described in the specification on page 9, lines 7-14.

Specifically, prior art payment transaction record as used in the claims is described in the specification on page 5, lines 26 to page 6, line 4. Also page 8, lines 3 to 17.

Specifically, "the customer identifier is encoded with an algorithm and embeds a code that references the algorithm in the payment card system, for the customer identifier to be an encoded customer identifier" is described on page 17, lines 24 to line 2 on page 18. Also page 20 and lines 10-12.

Specifically, claims 118-122 are described in page 9, lines 22-29, page 10, lines 15-31, page 21, lines 19 to page 22, line 6, as well as in the rest of the specification.

**Examiner has rejected claims 77-80 under 35 USC 102(e) as being anticipated by Campisano.**

Replacement claims 106-108 better define the scope of the invention and are
not anticipated by Campisano. Specifically element (a), (c) and (d) of claim 106 are not
taught by Campisano.

**Examiner has rejected claims 94-95 and 99 under 35 USC 102(b) as being anticipated by Rose et al.**

Rose et al does not anticipate replacement claims 109 and 114. Specifically
element (b) and (c) of claims 109 and 114 are not taught by Rose.

**Examiner has rejected claims 96-97, 100 under 35 USC 103(a) over Rose et al , as applied to claims 94-95 above, further in view of Campisano.**

Rose teaches different embodiments of the Rose payment card, as illustrated in
Rose Figures 2 to 3A-E. These Rose embodiments cover from a blank card to a
decorative card, to a card with or without a bank name, and a card where the customer
can etch or write his name initials. These different embodiments do not display the
customer name and or bankcard number.

Rose et al further teaches a payment card, which has a code on the card, the
code is associated with multiple bank accounts in a database at a remote location.
When the Rose card is used at an ATM/POS, the code from the card is read and routed
to the database at the remote location. The database matches the code, and the
database returns the identity of each account to the ATM/POS to be displayed on the
screen, along with the PIN of each account. The user is asked to select from this list of
accounts, a specific account to be used for this transaction and then asked to enter the
corresponding PIN for that account in the ATM/POS. The ATM/matches the PIN and
then forwards the specific account data for normal transaction processing.

Rose motivation is to make it convenient to be able to use one Rose card in lieu of many bankcards. Rose Motivation is for a payment card with a code that identifies the owner in a remote database that stores multiple bankcard data. When a Rose card is used, the accounts from the database are brought up on the ATM to select one of them and enter a corresponding PIN. Rose is specific in saying that the customer can have one PIN for all the accounts and may choose to have a different PIN, hence it is clear the Rose PIN is not used to select an account but to verify the account owner.

Campisano art is on a cardless payment system for credit card transactions. To be able to provide a cardless payment system that does not use a credit card , Campisano teaches a cardless payment system that uses a entry of the user's telephone number combined with a PIN, in lieu of his/her physical bankcard at a point of sale terminal. The telephone number and the PIN are linked to the card number in a card database that may be maintained by the card-issuing bank or the telephone company, as they have the ability to verify the telephone number.

In Campisano, the telephone number and a PIN are used to identify a specific card in the database and not to authorize a transaction. Campisano, from col. 2, lines 33 to line 39, "The card member must then sign some sort of receipt or authorization slip and the transaction is complete, step 20."

Campisano is clear that the telephone number combined with a PIN is used to accomplish the first step in a credit card transaction, that of swiping a credit card in a point of sale for a Rose cardless payment system. Rose step 20, then requires the second step of authorization by a signature that of signing an authorization slip.

Campisano motivation is that of a cardless payment system, and that motivation is accomplished where a physical credit card is replaced by a combination of a home telephone number and a PIN. Campisano, further teaches that if the card member has multiple cards, the cardless payment system can be used where the card member

would have the telephone number and a different PIN to identify the other cards at the point of sale. See Campisano, col. 4, lines 36 to 45.

The main motivation of the current invention claims is different that of, to not

5 transfer customer identity and bankcard data to merchant point of sale systems where they have been subject to theft by others from the merchant point of sale systems. Current invention specification, page 7, line 20 to page 8, line 17, describes the payment card usage of this invention. Where the payment card transaction of this invention is processed as a debit type card transaction, and where the entry of CPIN is

10 to both authorize the transaction as well as to verify the card owner, in addition to selecting a specific bankcard. Figure 1D, showing a merchant point of sale with selection of a debit card by use of 34C key. Also step 602 on page 20, line 1, requires selecting a debit card transaction requiring the entry of a PIN to complete the transaction.

15

Hence the PIN in Campisano and the CPIN in current invention are for different purposes. In Campisano, the telephone number and PIN combination is to identify a specific card of the owner, whereas in current invention, the CPIN combined with the customer identifier without customer identity data is for identifying a specific card and for

20 authorizing the transaction as in a PIN based debit transaction, where the authorization by a signature is not required, the CPIN being used for authorizing the payment transaction.

In contrast, claim 106 teaches at least element (a), (c), and (d) which Campisano

25 does not teach. Also claim 109 and 114 teach at least elements (b) and (c), which are not taught by Campisano and Rose.

Hence, claim 106, requiring selecting a debit card transaction, then requiring a customer identifier without customer identity data and having a payment card that

30 encodes the customer identifier and requiring entry of a CPIN for identifying a particular bankcard data of the customer and verifying the customer by the bankcard specific

CPIN in the payment card system, without the Rose step 20, for authorizing the payment by signature makes claim 106 not obvious over Rose and Campisano in any combination.

5       Campisano and Rose motivation are same, except the Campisano teaches a cardless payment system, where a telephone number and PIN are used to select a card at a POS , from a database having multiple cards, and signature is required to authorize a transaction and Rose teaches a card with a code, that brings the entire set of customer accounts to select from and then enter a PIN to authorize the transaction from 10   that selected account.

      Since Campisano does not teach authorization via a PIN, current invention could not be obvious over Rose in view of Campisano.

15       Further, Campisano calls the telephone number as an alias for the card itself, since the telephone number is used instead of the physical card. Such use of alias is wholly different than the use of the word alias and alias terminology in the current invention. The word alias on the payment card of this invention has a different purpose and meaning than the manner Campisano has used "alias" as described above.
20

      The alias in claim 109 and 114 refer to an alias name that is selected by the card owner and is printed on the payment card to enable him/her to distinguish his card from other cards.

25       Hence, Combining Rose and Campisano, does not teach the CPIN and the payment card of the current invention because, where the motivation in Campisano is a cardless payment system, to identify the card by a combination of the telephone number and a PIN, the motivation in Rose is similar, to identify a specific card from all the cards by displaying a list of such cards. Hence combing Rose and Campisano does teach the 30   claims of this invention.

Therefore, Applicant submits that the claims 106 to 124 are not obvious over these arts, where Rose and Campisano individually or in combination do not teach or suggest the invention as in the replacement claims 106 to 124, thus they are not obvious over them.

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**Examiner has rejected claims 98, under 35 USC 103(a) over Rose et al , as applied to claims 94-95, and 99 above, further in view of Kramer.**

Kramer teaches use of Public Key Infrastructure (PKI) for exchange of encryption
10    keys between a POI and the card issuing server over the Internet. Now also known as SSL (secure socket layer) used in internet transactions between a PC and a https secure server. Kramer teaches use of digital certificates in the POI that identify the security properties of the POI to the card issuing bank server.

15    In contrast, current invention claims 109, 114 and 123 teach that the customer identifier that is encoded on the payment card is encoded with an algorithm, the reference to that algorithm is part of the encoded customer identifier. This encoding of customer identifier is independent of and entirely different than the encryption of the data communication channel using PKI as in Kramer.  The security features as
20    described in Kramer between a POI device and the server are entirely different than the encoded customer identifier encoded on the payment card substrate.

For these reasons, the replacement claims 109 and 114, and 122  that teach encoded customer identifier of this invention are neither anticipated nor obvious singly
25    or in any combination over Campisano, Rose and Kramer

**Examiner has rejected claims 101-102  under 35 USC 103(a) over Rose et al , as applied to claims 94-95, and 100 above, further in view of  Campisano as applied to claim 100 above, further in view of Albert et al**

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Albert teaches use of wireless for transmission of POS data from POS to a merchant host computer using a wireless adapter. The wireless adapter is wire-line connected to the POS. The wireless adapter is wire-line connected to a wireless modem. The wireless modem wirelessly transfers the POS data to a host computer of the merchant, to be able to collect/receive data from the distributed POS of a large merchant with geographically distributed POSs. Specifically, Albert teaches a wireless protocol for the wireless transfer of collected transaction data in the wireless adapter connected to a Point of sale, to be transferred to the host computer of the merchant.

In contrast, the replacement claim 118 of the current invention teaches a wireless connection directly from the POS to the payment card system thus bypassing the merchant computer systems from receiving customer identity data.

Hence, the replacement claims 114, and 118 to 122 are not obvious over Rose et al , as applied to claims 94-95, and 100 above, further in view of Campisano as applied to claim 100 above, further in view of Albert et al

**Examiner has rejected claims 103 under 35 USC 103(a) over Rose et al , as applied to claims 94-95, and 99 above, further in view of Campisano as applied to claim 100 above, further in view of Albert et al as applied to claims 101-102 above, in view of Kramer. Examiner has rejected claims 104-105 under 35 USC 103(a) over Campisano further in view Kramer.**

Kramer teaches use of Public Key Infrastructure (PKI) for exchange of encryption keys between a POI and the card issuing server over the Internet. Now also known as SSL (secure socket layer) used in internet transactions between a PC and a https secure server. Kramer teaches use of digital certificates in the POI that identify the security properties of the POI to the card issuing bank server.

In contrast, current invention teaches that the customer identifier that is encoded on the payment card is encoded with an algorithm, the reference to that algorithm is part

of the encoded customer identifier. This encoding of customer identifier is independent of and entirely different than the encryption of the data communication channel using PKI as in Kramer. The security features as described in Kramer between a POI device and the server are entirely different than the encoded customer identifier encoded on

5    the payment card substrate.

In contrast, the replacement claim 118 of the current invention teaches a wireless connection directly from the POS to the payment card system thus bypassing the merchant computer systems from receiving customer identity data.

10

Hence, the replacement claims 114, and 118 to 122 are not obvious over Rose et al, as applied to claims 94-95, and 99 above, further in view of Campisano as applied to claim 100 above, further in view of Albert et al as applied to claims 101-102 above, in view of Kramer. Examiner has rejected claims 104-105 under 35 USC 103(a) over

15   Campisano further in view Kramer.

**Provisional double patenting rejection**

Examiner had provisionally rejected claims 77-80 and claims 94-105 on the ground of non-statutory obviousness type double patenting as being unpatentable over

20   claims 21-29 and 32-35 of co-pending application number 10/046834, as these claims have not been in fact patented.
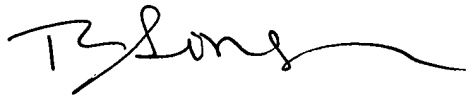
Applicant requests that such a provisional double patent rejection be removed as the co-pending application references this application, the co-pending application

25   covers different subject matter, even though related to secure payment transactions and the claims in that co-pending are subject to amendments and are being prosecuted later in time than after this application.

## CONCLUSION

In conclusion, Applicant respectfully asserts that claims 106 to 124 are

5 patentable for the reasons set forth above, and that the application is now in a condition

for allowance. Accordingly, an early notice of allowance is respectfully requested. The

Examiner is requested to call the undersigned at 310-540-4095 for any reason that

would advance the instant application to issue.


10 Dated this the 30th day of May, 2008


Respectfully submitted,


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Tara Chand Singhal, Applicant

P O Box 5075

Torrance, California 90510

Telephone: (310) 540-4095

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